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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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	:	
In re	:	Chapter 11
	:	
BLOCKBUSTER INC., <i>et al.</i>,¹	:	Case No. 10-14997 (BRL)
	:	
Debtors.	:	(Jointly Administered)
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**NOTICE OF DEBTORS' SECOND OMNIBUS MOTION TO
REJECT CERTAIN UNEXPIRED NONRESIDENTIAL REAL PROPERTY LEASES**

PLEASE TAKE NOTICE that a hearing on the annexed Motion, dated October 1, 2010 (the “*Motion*”), of Blockbuster Digital Technologies Inc., its parent Blockbuster Inc., and their debtor affiliates, as debtors and debtors in possession (collectively, “*Blockbuster*” or the “*Debtors*”), for entry of an order, pursuant to sections 365 and 554 of chapter 11 of title 11 of the United States Code and Federal Rules of Bankruptcy Procedure 6006, 6007, and 9014, approving the Debtors’ rejection of certain unexpired leases of nonresidential real property (collectively, the “*Leases*”), effective as of the date hereof, and authorizing the Debtors to abandon certain equipment, fixtures, furniture or other personal property located in the premises associated with

¹ The Debtors, together with the last four digits of each Debtor’s federal tax identification number, are: Blockbuster Inc. (5102); Blockbuster Canada Inc. (1269); Blockbuster Digital Technologies Inc. (9222); Blockbuster Distribution, Inc. (0610); Blockbuster Gift Card, Inc. (1855); Blockbuster Global Services Inc. (3019); Blockbuster International Spain Inc. (7615); Blockbuster Investments LLC (6313); Blockbuster Procurement LP (2546); Blockbuster Video Italy, Inc (5068); Movielink, LLC (5575); Trading Zone Inc. (8588); and B² LLC (5219).

the rejected Leases, all as more fully set forth in the Motion, will be heard before the Honorable Burton R. Lifland, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York (the “*Bankruptcy Court*”), Courtroom 623, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004, on **October 19, 2010 at 10:00 a.m. (Prevailing Eastern Time)**, or as soon thereafter as counsel may be heard.

PLEASE TAKE FURTHER NOTICE that any responses or objections to the Motion must be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York, and shall be filed with the Bankruptcy Court (a) electronically in accordance with General Order M-242 (which can be found at www.nysb.uscourts.gov) by registered users of the Bankruptcy Court’s filing system and (b) by all other parties in interest, on a 3.5 inch disk, preferably in Portable Document Format (PDF), WordPerfect, or any other Windows-based word processing format (with two hard copies delivered directly to Chambers) and served upon: (i) the Debtors, c/o Blockbuster Inc., 1201 Elm Street, Dallas, Texas 75270 (Attn: Rod McDonald, Esq.); (ii) attorneys to the Debtors, Weil, Gotshal & Manges LLP, at (a) 767 Fifth Avenue, New York, New York 10153 (Attn: Stephen Karotkin, Esq.) and (b) 200 Crescent Court, Suite 300, Dallas, Texas 75201 (Attn: Martin A. Sosland, Esq.); (iii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Brian Masumoto, Esq.); (iv) those creditors holding the fifty largest unsecured claims against the Debtors’ estates; (v) Sheppard, Mullin, Richter & Hampton LLP, the attorneys for U.S. Bank National Association, as trustee under that certain indenture agreement, dated as of October 1, 2009, with respect to the 11.75% Senior Secured Notes due 2014 issued by Blockbuster Inc. (Attn: Kyle J. Mathews, Esq.); (vi) Emmet, Marvin & Martin, LLP, the attorneys for The Bank

of New York Trust Company, N.A., as trustee under that certain indenture agreement, dated as of August 20, 2004, with respect to the 9% Senior Subordinated Notes due 2012 issued by Blockbuster Inc. (Attn: Edward P. Zujkowski, Esq.); (vii) Sidley Austin LLP, attorneys for the lenders under the Debtor in Possession Revolving Credit Agreement (the “**DIP Facility**”) (Attn: James Seery, Esq.); and (viii) Skadden, Arps, Slate, Meagher & Flom LLP, the attorneys for Wilmington Trust FSB as agent under the DIP Facility (Attn: Peter J. Neckles, Esq.), in each case so as to be received no later than **4:00 p.m. on October 12, 2010 (Prevailing Eastern Time)** (the “**Objection Deadline**”).

PLEASE TAKE FURTHER NOTICE that if no objections are timely filed and served with respect to the Motion, the Debtors may, on or after the Objection Deadline, submit to the Bankruptcy Court an order substantially in the form of the proposed order annexed to the Motion, which order may be entered with no further notice or opportunity to be heard.

Dated: October 1, 2010
New York, New York

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and

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**PARTIES RECEIVING THIS OMNIBUS MOTION SHOULD
LOCATE THEIR NAMES AND THEIR LEASES IN THE ATTACHED
EXHIBIT A TO DETERMINE IF THIS MOTION AFFECTS
THEIR AGREEMENT AND THEIR RIGHTS THEREUNDER.**

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In re	:	Chapter 11
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BLOCKBUSTER INC., <i>et al.</i>,¹	:	Case No. 10-14997 (BRL)
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Debtors.	:	(Jointly Administered)
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**DEBTORS' SECOND OMNIBUS MOTION TO REJECT
CERTAIN UNEXPIRED NONRESIDENTIAL REAL PROPERTY LEASES**

TO THE HONORABLE BURTON R. LIFLAND,
UNITED STATES BANKRUPTCY JUDGE:

Blockbuster Digital Technologies Inc., its parent Blockbuster Inc., and their
debtor affiliates, as debtors and debtors in possession (collectively, “***Blockbuster***” or the

¹ The Debtors, together with the last four digits of each Debtor’s federal tax identification number, are: Blockbuster Inc. (5102); Blockbuster Canada Inc. (1269); Blockbuster Digital Technologies Inc. (9222); Blockbuster Distribution, Inc. (0610); Blockbuster Gift Card, Inc. (1855); Blockbuster Global Services Inc. (3019); Blockbuster International Spain Inc. (7615); Blockbuster Investments LLC (6313); Blockbuster Procurement LP (2546); Blockbuster Video Italy, Inc (5068); Movielink, LLC (5575); Trading Zone Inc. (8588); and B² LLC (5219).

“**Debtors**”), submit this second omnibus motion² (the “**Motion**”) and respectfully represent as follows:

1. On September 23, 2010 (the “**Commencement Date**”), each of the Debtors commenced a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). The Debtors are authorized to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors’ chapter 11 cases are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

I.

RELIEF REQUESTED

2. By this Motion, the Debtors request that, pursuant to sections 365(a) and 554(a) of the Bankruptcy Code and Bankruptcy Rules 6006, 6007, and 9014, the Court enter an order, substantially in the form of **Exhibit “B”** annexed hereto, (i) approving the Debtors’ rejection of 50 unexpired leases of nonresidential real property³ identified on **Exhibit “A”** annexed hereto⁴ (each, a “**Lease**,” and collectively, the “**Leases**”), effective as of September 30, 2010 (the “**Lease Rejection Date**”), and (ii) authorizing the Debtors to abandon certain

² On September 24, 2010, the Debtors filed their first omnibus motion to reject unexpired non-residential real property leases. (See *Motion Pursuant to 11 U.S.C. §§ 365(a) and 554(a) and Fed R. Bankr. P. 6006, 6007, and 9014 for Approval of Rejection of Certain Unexpired Leases of Non-Residential Real Property and Authorization to Abandon Certain Property Effective as of the Commencement Date* [Docket No. 73].)

³ Including any guaranties, amendments, subleases, and ancillary documents related thereto.

⁴ Copies of the Leases will be made available upon request of Debtors’ counsel. This Motion is without prejudice to the Debtors’ right to assert that any one or all of the Leases expired by their own terms or were terminated prior to the effective date of the rejection, as the case may be. Moreover, nothing herein shall be deemed an admission that the Leases are enforceable obligations of the Debtors, are executory in nature, or that the parties identified on **Exhibit “A”** have valid claims against the Debtors as a result of the rejections sought herein.

equipment, fixtures, furniture or other personal property (the “*Personal Property*”) located in the premises associated with the rejected Leases (the “*Leased Premises*”).

II.

BACKGROUND

3. More than twenty five years ago, Blockbuster became the first national retail chain provider of in-home entertainment, with its blue and gold torn-ticket logo symbolizing the decision by consumers to forego the movie theatre experience and “Make it a Blockbuster Night”[®] by staying home to watch the latest in new movie title releases from the convenience of their living rooms. Since its incorporation in 1982, Blockbuster has expanded its retail business operations domestically and abroad via a mix of corporate and franchisee-owned stores, with, as of August 29, 2010, over 5,600 stores in the United States and its territories and 16 other countries. To manage its business and properties, Blockbuster employs approximately 25,500 employees who perform a variety of critical functions, including customer service, inventory control, management, leasing, accounting, marketing, purchasing and sales, shipping, tax, technical services, and legal services.

A. Domestic Operations

4. Blockbuster operates its domestic media entertainment business through three principal channels of distribution: (i) retail; (ii) by-mail; and (iii) digital. As a result of this multi-channel distribution scheme, Blockbuster offers customers a value-priced entertainment experience, combining the broad array of products offered by a specialty or online retailer with the convenience of a local neighborhood retailer.

1. *Retail Channel*

5. The convenience offered to customers by having Blockbuster stores

located in their cities, towns, and neighborhoods has been instrumental in establishing the BLOCKBUSTER[®] brand. As of August 29, 2010, there were 3,306 stores operating under the BLOCKBUSTER[®] brand in the United States and its territories. Of these stores, 2,924 are owned and operated by Blockbuster Inc. and 382 stores are owned and operated by franchisees. Blockbuster stores offer movies and games (collectively, “**Product**”) for rent and purchase (both new and previously-viewed) as well as other entertainment-related consumer electronics and accessories, game consoles, confection, and movie-related merchandise for purchase. Additionally, approximately 240 of these locations include store-in-store game locations operating under the GAME RUSH[®] brand.

6. In step with its continued commitment to be the premier retailer of new release movies, Blockbuster has recently focused on promoting its rapidly emerging availability advantage over certain of its key competitors, who do not have access to key new Product for the initial 28 days of release (the “**28-day Window**”). In 2009, the 28-day Window was imposed by certain movie studios on the rental of newly released titles after the initial distribution date of a title so as to diminish the effect of rental on the retail sale of such titles. Given that a substantial portion of Blockbuster’s rental revenues are derived from the rental of such new release Product, Blockbuster’s advantage with respect to the 28-day Window is expected to maintain and improve its customer preference and loyalty in comparison to its competitors.

7. To expand its retail reach, in early 2009, Blockbuster entered into an agreement with NCR Corporation (“**NCR**”) to launch BLOCKBUSTER Express[®] branded vending kiosks. Through this partnership, NCR builds and maintains the kiosks and pays royalties to Blockbuster on the revenues generated. This agreement allows Blockbuster to compete in the popular vending kiosk channel without incurring capital expenditures and start-up

costs on its own account, while making Product more convenient and less expensive for its customers. As of September 19, 2010, there were approximately 6,630 kiosks operating under the BLOCKBUSTER Express[®] brand throughout the United States and its territories.

2. By-Mail Channel

8. Blockbuster offers a by-mail subscription program through its retail chain and through its website, www.blockbuster.com, whereby customers rent Product that is delivered directly to them by-mail. The by-mail subscription program provides customers access to substantially more Product than is available in its stores, and allows Blockbuster to compete directly with certain of its key competitors. In contrast to its competitors, Blockbuster offers: (i) a wide selection of games; and (ii) Blu-ray Product at no additional charge. Through its BLOCKBUSTER Total Access[™] program (“**Total Access**”), Blockbuster also offers its by-mail subscribers the ability to exchange up to five online movie rentals for in-store movies at its retail locations for only a few dollars more per month. The by-mail subscription program allows Blockbuster to reach customers located in geographic areas where it does not operate store locations.

9. In order to promote the synergies between its retail and by-mail channels of distribution and to profitably grow its by-mail customer base, Blockbuster recently launched a marketing partnership with Comcast Cable Corporation (“**Comcast**”). This partnership includes the launch of *DVDs by Mail*, a co-branded by-mail offer available at www.DVDsbymail.com. As part of the marketing partnership, Comcast customers are now being offered Blockbuster’s by-mail services (both by-mail and Total Access-like products) through the new co-branded web site as an additional service within their Comcast package. On the site, customers can browse Blockbuster’s vast library of more than 95,000 movie and television titles, create a queue of titles

they want to rent and then get the DVDs through the mail or at a Blockbuster retail store, where they can also exchange their rentals. In turn, Blockbuster is installing Comcast-dedicated kiosks in select stores that allow customers to quickly and easily learn about, and sign up for, Comcast services.

3. *Digital Channel*

10. As new distribution channels have emerged and as consumer interest in accessing Product in new ways has grown, Blockbuster has begun to expand its footprint into the digital realm. To that end, Blockbuster's digital business currently offers its customers on-demand access to one of the largest libraries of digital movies for both rental and sale through multiple formats. Blockbuster began its digital initiatives with the purchase of Movielink from a consortium of movie studios in 2007.

11. Through Blockbuster's website, www.blockbuster.com, Blockbuster customers can download and view movies on their personal computers after downloading Blockbuster's personal computer application. In addition, with the convergence of media entertainment and electronic devices, Blockbuster recently entered into strategic partnerships with certain global third party consumer electronics device developers – including Samsung, Philips, TiVo, and Toshiba – to digitally deliver media entertainment to its customers through consumer electronics such as Internet-connected TVs and Blu-ray players through Blockbuster applications embedded in these devices. In the mobile space, Blockbuster has partnered with device makers such as Motorola and HTC, embedding Blockbuster's digital applications in its popular new models for Verizon and T-Mobile. Blockbuster is also pursuing partnerships with Cable TV providers to offer Blockbuster-branded video-on-demand services inside an operator's set-top-box infrastructure.

B. International Operations

12. Blockbuster's international operations, which serve as ambassadors of the BLOCKBUSTER® brand, are comprised of all store operations outside the United States and its territories, including: (i) owned retail operations in Canada, the United Kingdom, Denmark, Italy, Mexico, Argentina, and Uruguay, and (ii) franchised retail operations in Australia, Brazil, Chile, Columbia, Guatemala, Israel, Italy, Mexico, New Zealand, Panama, Portugal, and Taiwan. As of August 29, 2010, Blockbuster had 2,333 stores in 16 markets outside of the United States operating under the BLOCKBUSTER® brand, the GAME RUSH® brand, and other brand names owned by Blockbuster. During 2008 and 2009, 29% and 30% of Blockbuster's revenues were generated outside of the United States, respectively. Blockbuster's international operations have historically been more dependent than the domestic operations on retail sales and, in particular, sales of games, as opposed to revenue generated from rentals.

C. Financials

13. As of July 4, 2010, the Debtors, on a consolidated basis, reported approximately \$1.2 billion in total assets and approximately \$1.6 billion in total liabilities. For 2009, Blockbuster reported consolidated revenues of approximately \$4.1 billion and net cash from operating activities of \$29.3 million.

14. Additional information regarding Blockbuster's business, capital structure, and the circumstances leading to these chapter 11 cases is contained in the *Affidavit of Jeffery J. Stegenga Pursuant to Local Bankruptcy Rule 1007-2 in Support of First Day Motions* (the "**First Day Affidavit**").

III.

JURISDICTION

15. Pursuant to 28 U.S.C. §§ 157 and 1334 and Standing Order M-61 of the United States District Court for the Southern District of New York, dated July 10, 1984 (Ward, Acting C.J.), the Court has jurisdiction to consider and grant the relief requested herein. A proceeding to consider and grant such relief is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

IV.

THE LEASES

16. Blockbuster has been analyzing and reviewing – and continues to analyze and review – its extensive lease portfolio and the performance of each of its retail stores. In connection therewith, Blockbuster has determined that closure of certain underperforming stores would be in its best interest and would promote the Debtors' successful reorganization. Prior to the Lease Rejection Date, the retail stores associated with each of the Leases were closed and Blockbuster vacated the Leased Premises associated therewith. In addition, Blockbuster has returned the keys to the Leased Premises and notified the respective counterparties to the Leases in writing of Blockbuster's vacation of the Leased Premises and intention to reject the Leases effective as of the Lease Rejection Date. Accordingly, by this Motion, Blockbuster seeks approval of its rejection of the Leases identified on *Exhibit "A"* hereto.

17. In connection with each of the retail store closures, Blockbuster removed personal property to the extent it was cost effective to do so, and to the extent such property could be utilized in its ongoing business operations. Blockbuster also disposed of a limited amount of personal property, where such property was of inconsequential value or unnecessary to its stores' ongoing operations. Certain Personal Property of *de minimis* value was also left

behind in almost all of the Leased Premises, which the Debtors seek authority to abandon to the landlords of the Leased Premises.

18. Because the Debtors no longer maintain operational retail stores at the Leased Premises, continued compliance with the terms of the Leases would be burdensome and would provide no corresponding benefit to Blockbuster or the stakeholders in these chapter 11 cases. Accordingly, it is in the best interests of the Debtors and their estates to promptly reject the Leases and abandon any Personal Property remaining therein pursuant to sections 365 and 554(a) of the Bankruptcy Code. Rejection of the Leases will maximize the value of the Debtors' estates and eliminate unnecessary costs associated with the Leases and the Leased Premises. As of the Commencement Date, Blockbuster continues to be obligated to pay rent under the Leases even though it has ceased operations at the respective premises. Moreover, in addition to its obligation to pay rent, Blockbuster also is obligated to pay for certain property taxes, utilities, insurance and other related charges associated with the Leases. By rejecting the Leases, Blockbuster estimates that it will be able to achieve cost savings of approximately \$5.7 million in rent and other related obligations over the remaining term of the Leases. Therefore, immediate rejection of the Leases represents a prudent exercise of the Debtors' business judgment. Blockbuster also has reviewed the market value of the Leases and determined that marketing the Leases for assignment or sublease to a third party, especially given the relatively short term remaining for each Lease, would not generate any significant value for the estates.

V.

BASIS FOR RELIEF REQUESTED

A. Rejection of the Leases Is Supported By the Debtors' Business Judgment and Should Be Approved By the Court

19. Section 365(a) of the Bankruptcy Code provides, in pertinent part, that a

debtor in possession “subject to the court’s approval, may assume or reject any executory contract or unexpired lease of the debtor.” 11 U.S.C. § 365(a); *see also* *NLRB v. Bildisco & Bildisco*, 465 U.S. 513, 521 (1984); *Med. Malpractice Ins. Ass’n v. Hirsch (In re Lavigne)*, 114 F.3d 379, 386 (2d Cir. 1997). “[T]he purpose behind allowing the assumption or rejection of executory contracts is to permit the trustee or debtor-in-possession to use valuable property of the estate and to renounce title to and abandon burdensome property.” *Orion Pictures Corp. v. Showtime Networks, Inc. (In re Orion Pictures Corp.)*, 4 F.3d 1095, 1098 (2d Cir. 1993) (internal quotation marks and reference omitted).

20. Courts defer to a debtor’s business judgment in rejecting an executory contract or unexpired lease, and upon finding that a debtor has exercised its sound business judgment, approve a debtor’s decision to reject under section 365(a) of the Bankruptcy Code. *See Bildisco & Bildisco*, 465 U.S. at 523 (recognizing application of the “business judgment” standard in approving rejection of executory contracts and unexpired leases); *Nostas Assocs. v. Costich (In re Klein Sleep Prods., Inc.)*, 78 F.3d 18, 25 (2d Cir. 1996) (same); *In re Minges*, 602 F.2d 38, 42-43 (2d Cir. 1979) (same); *In re G Survivor Corp.*, 171 B.R. 755, 757 (Bankr. S.D.N.Y. 1994), *aff’d*, 187 B.R. 111 (S.D.N.Y. 1985) (approving rejection of license by debtor because such rejection satisfied the “business judgment” test); *In re Child World, Inc.*, 142 B.R. 87, 89 (Bankr. S.D.N.Y. 1992) (stating that a debtor may assume or reject an unexpired lease under § 365(a) in the exercise of its “business judgment”).

21. Blockbuster has determined that the Leases are not a source of potential value for these estates or their creditors and are not necessary for its reorganization effort under chapter 11. In fact, the Leases are a net drain on the estates because they relate to Leased Premises that are currently unoccupied by the Debtors and, as a result, do not provide any benefit

to the Debtors' estates and are unnecessary to the Debtors' ongoing operations. As such, rejection of the Leases will relieve a significant burden relative to Blockbuster's restructuring efforts. Accordingly, in Blockbuster's business judgment, the Leases should be rejected.

**B. The Balance of Equities Favors Rejection
Of the Leases as of the Lease Rejection Date**

22. Blockbuster submits that the Leases should be rejected as of the Lease Rejection Date. Such relief is appropriate, and will expedite Blockbuster's relief from the burdensome obligations under the Leases.

23. Section 365 of the Bankruptcy Code "does not state that rejection cannot be applied retroactively, or that there are restrictions as to the manner in which the Court can approve rejection." *Constant Ltd. P'ship v. Jamesway Corp. (In re Jamesway Corp.)*, 179 B.R. 33, 37 (S.D.N.Y. 1995); *see also Stonebriar Mall Ltd. P'ship v. CCI Wireless (In re CCI Wireless, LLC)*, 297 B.R. 133, 138 (D. Colo. 2003) ("[S]ection 365 [of the Bankruptcy Code] does not prohibit the Bankruptcy Court from allowing the rejection of [contracts] to apply retroactively."). Many courts have authorized rejection retroactively to a date prior to entry of the order authorizing such rejection where the balance of equities favored such relief. *See, e.g., Adelphia Bus. Solutions, Inc. v. Abnos*, 482 F.3d 602, 607-09 (2d Cir. 2007) (holding Bankruptcy Court did not abuse its discretion in finding balance of equities favored making rejection of a nonresidential lease of real property retroactive to hearing date where parties knew of its intention to make the order retroactive and thus landlord had notice of effective date of rejection, and where tenant vacated premises, thereby providing landlord with opportunity to relet premises); *In re Thinking Mach. Corp. v. Mellon Fin. Servs.*, 67 F.3d 1021, 1028 (1st Cir. 1995) (approving retroactive orders of rejection where the balance of equities favors such relief); *BP*

Energy Co. v. Bethlehem Steel Corp. (In re Bethlehem Steel Corp.), No. 02 Civ. 6419 (NRB), 2002 WL 31548723, at *3 (S.D.N.Y. Nov. 15, 2002) (holding same).

24. In considering whether to approve retroactive rejection, courts examine a number of factors, including the costs that a delayed rejection date would otherwise impose on a debtor. *See, e.g., In re Jamesway Corp.*, 179 B.R. at 33-39. Courts also consider whether the debtor has provided sufficient notice of its intent to reject an unexpired lease of real property. *See, e.g., Tenucp Prop. LLC v. Riley (In re GCP CT School Acquisition LLC)*, No. 09-11846, 2010 WL 2044871, at *10-11 (B.A.P. 1st Cir. May 24, 2010) (finding sale and settlement motions, in the aggregate, provided landlord with sufficient and reasonable notice that chapter 7 trustee intended to reject unexpired real property lease, and that Bankruptcy Court had basis to exercise its equitable powers to order rejection to operate retroactively). A debtor's timely surrender of leased premises weighs in favor of retroactive rejection because it enables a landlord to seek a new tenant in an expeditious manner. *See, e.g., Adelphia Bus. Solutions*, 482 F.3d at 608-09 ("The Bankruptcy Court also properly considered that [the debtor] had vacated the premises and thereby provided [the landlord] with the opportunity to lease the premises to another tenant.").

25. The facts in these chapter 11 cases favor approval of retroactive rejection of the Leases and retroactive rejection of the Leases is fair and equitable to all parties. As stated, prior to the Lease Rejection Date, Blockbuster vacated the Leased Premises and liquidated inventory, putting the landlords on notice of its intent to close the affected stores, and giving the landlords an opportunity to mitigate damages by beginning a search for new tenants.⁵ As a result of these store closures and Blockbuster's vacation of the Leased Premises, the landlords have not

⁵ With respect to one Leased Premises that is currently subleased, Blockbuster has also provided notice of the Motion to the sublessee that is indicated on *Exhibit "A"* annexed hereto.

been subject to any uncertainty regarding the Debtors' intent with respect to the Leases. Moreover, the landlords will not be unduly prejudiced if the rejection is deemed effective as of the Lease Rejection Date because they will receive notice of this Motion and have sufficient opportunity to act accordingly. Any postponement of the effective date of rejection of the Leases would compel Blockbuster to compensate the landlords, at Blockbuster's and its creditors' expense, for a delay that Blockbuster has made every effort to avoid, and force Blockbuster potentially to incur unnecessary administrative charges for Leases that provide no tangible benefit to these estates. Such an outcome would be inequitable and prejudicial to the Debtors and their estates.

26. Similar orders have been issued by this Court, *see In re Acterna Corp.*, Case No. 03-12837 (BRL) (Bankr. S.D.N.Y. May 30, 2003) (approving rejection of leases effective as of the date the cases were commenced), and in other cases in this district. *See In re Uno Restaurant Holdings Corp.*, Ch. 11 Case No. 10-10209 (MG) (Bankr. S.D.N.Y. Mar. 23, 2010) (approving rejection of leases retroactive to date debtors vacated premises related to leases); *In re Uno Restaurant Holdings Corp.*, Ch. 11 Case No. 10-10209 (MG) (Bankr. S.D.N.Y. Feb. 17, 2010) (approving rejection of leases effective as of date the cases were commenced); *In re BearingPoint, Inc.*, Ch. 11 Case No. 09-10691 (REG) (Bankr. S.D.N.Y. May 12, 2009) (approving rejection of leases retroactive to date property was vacated); *In re BearingPoint, Inc.*, Ch. 11 Case No. 09-10691 (REG) Bankr. S.D.N.Y. Mar. 13, 2009) (approving rejection of leases retroactive to date the cases were commenced); *In re Lenox Sales, Inc.*, Case No. 08-14679 (ALG) (Bankr. S.D.N.Y. Jan. 15, 2009) (approving retroactive rejection of leases to the date that the property was vacated); *In re Silicon Graphics, Inc.*, Ch. 11 Case No. 06-10977 (ALG) (Bankr. S.D.N.Y. May 31, 2006) (approving retroactive rejection of contracts

and leases to the later of the date the cases were commenced or the date the debtors surrendered the leased premises).

27. For the reasons set forth above, retroactive rejection of the Leases is fair and equitable to all parties in interest, especially where the counterparties to the Leases will not be prejudiced thereby.

**C. Personal Property Remaining in the Leased Premises
Is of Inconsequential Value and of No Benefit to
Blockbuster and Abandonment Should Be Approved By the Court**

28. Pursuant to section 554(a) of the Bankruptcy Code, Blockbuster seeks authorization to abandon Personal Property that remains on the Leased Premises. Although Blockbuster has vacated such premises and removed Personal Property to the extent feasible and of value to its ongoing operations, a minimal amount of Blockbuster's Personal Property, ancillary to its business operations, remains in almost all of the Leased Premises. To the extent such Personal Property remains in the Leased Premises, it is of inconsequential value and of no benefit to the Debtors' estates.

29. Section 554(a) of the Bankruptcy Code provides in relevant part that a debtor in possession "after a notice and hearing . . . may abandon any property of the estate "that . . . is of inconsequential value and benefit to the estate." 11 U.S.C. § 554(a). The right to abandon property is, except for certain exceptions inapplicable in the present case, unfettered. *See In re Midlantic Nat'l Bank*, 474 U.S. 494, 502 (1986).

30. Any Personal Property abandoned to the landlords of the Leased Premises primarily consists of miscellaneous fixtures, furniture, advertising displays, and other office and store equipment that is of inconsequential value or benefit to the Debtors' estates and/or burdensome, insofar as the costs of removal and storage of the Personal Property for future use or marketing and sale is likely to exceed its value to the Debtors' estates. Further, any efforts by

Blockbuster to move or market the Personal Property could unnecessarily delay the Debtors' surrender of the Premises and the rejection of the Leases. In addition, since Blockbuster has closed the store locations at the Leased Premises, the Personal Property no longer is necessary for its business operations. To the best of Blockbuster's knowledge, the abandonment of the property is not in violation of any state or local statutes or regulations reasonably designed to protect the public health or safety.

31. Rule 6007-1 of the Local Bankruptcy Rules for the Southern District of New York (the "***Local Bankruptcy Rules***") requires that notice of a proposed abandonment describe the property to be abandoned, state the reason for the proposed abandonment, and identify the entity to whom the property is proposed to be abandoned, unless the Court orders otherwise. The Debtors submit that given the description of the Personal Property provided herein and the *de minimis* nature of such property, the requirements of the Local Bankruptcy Rules have been satisfied. Alternatively, to the extent the Court finds such information does not meet the requirements of Local Bankruptcy Rule 6007-1, Blockbuster respectfully requests that the Court waive such requirements with respect to this Motion.

32. The Debtors submit that the abandonment of the Personal Property should be effective as of the Lease Rejection Date.

VI.

NOTICE

33. No trustee or examiner has been appointed in these chapter 11 cases. The Debtors have served notice of this Motion on: (i) the Office of the U.S. Trustee (Attn: Brian Masumoto, Esq.); (ii) those creditors holding the fifty largest unsecured claims against the Debtors' estates; (iii) Sheppard, Mullin, Richter & Hampton LLP, the attorneys for U.S. Bank National Association, as trustee under that certain indenture agreement, dated as of October 1,

2009, with respect to the 11.75% Senior Secured Notes due 2014 issued by Blockbuster Inc. (Attn: Kyle J. Mathews, Esq.); (iv) Emmet, Marvin & Martin, LLP, the attorneys for The Bank of New York Trust Company, N.A., as trustee under that certain indenture agreement, dated as of August 20, 2004, with respect to the 9% Senior Subordinated Notes due 2012 issued by Blockbuster Inc. (Attn: Edward P. Zujkowski, Esq.); (v) Sidley Austin LLP, attorneys for the lenders under the Debtor in Possession Revolving Credit Agreement (the “**DIP Facility**”) (Attn: James Seery, Esq.); (vi) Wilmington Trust FSB, as Agent (the “**Agent**”), under the DIP Facility (Attn: Joshua G. James); (vii) Skadden, Arps, Slate, Meagher & Flom LLP, the attorneys for the Agent (Attn: Peter J. Neckles, Esq.); (viii) the landlords of the Leased Premises identified on **Exhibit “A”** annexed hereto; and (ix) any sublessee of the Leased Premises identified on **Exhibit “A”** annexed hereto (collectively, the “**Notice Parties**”). The Debtors submit that no other or further notice need be provided.

34. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as it deems just and proper.

Dated: October 1, 2010
New York, New York

/s/ Stephen Karotkin
Stephen Karotkin
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

and

Martin A. Sosland (admitted *pro hac vice*)
WEIL, GOTSHAL & MANGES LLP
200 Crescent Court, Suite 300
Dallas, Texas 75201
Telephone: (214) 746-7700
Facsimile: (214) 746-7700

Exhibit A

Leases to be Rejected

EXHIBIT A
Leases to be Rejected ⁽¹⁾

Lessor	Lessor's Notice Details	Other Notice Parties	Store No.	Leased Premises	Monthly Rental Obligation	Term of Lease	Rejection Date
American Nat'l B&T Co. of Chicago	American Nat'l B&T Co. of Chicago Trustee Under Trust No. 8467 120 East Wesley Street Chicago, IL 60607	Foxfield Partners 888 Fox Glen Drive St Charles, IL 60174	17290 ⁽²⁾	2712 E Main St St. Charles, IL 60174-2445	\$13,538	5/31/2011	9/30/2010
AmRHET Lantern Lane, L.P.	AmRHET Lantern Lane, L.P. Attn: Max Shilstone 8 Greenway Plaza, Suite 1000 Houston, TX 77046	Differential Development - 1994, Ltd. c/o Differential Management, Inc. Attn: Bartley J. Rainey Houston, TX 77019	48030	12502 Memorial Drive Houston, TX 77024-6000	\$10,509	12/31/2010	9/30/2010
Benderson-Arcade Associates, LLC	c/o Developers Diversified Realty Corporation ACCT # 101491-20447-1052 1052 Houston, TX 77046	Benderson-Arcade Associates, LLC Dept 101491-20447-1052 P.O. Box 951701 Cleveland, OH 44193	36555	658 Main Street Arcade, NY 14009-1037	\$8,016	10/31/2010	9/30/2010
Chelsea Retail, LLC	Chelsea Retail, LLC 500 West 43rd Street, Suite 39A New York, NY 10036-4339	Chelsea Retail, LLC c/o Manufacturers and Traders Trust Company P.O. Box 8000 Buffalo, NY 14267	36953	189 8th Avenue New York, NY 10011-3302	\$20,999	9/30/2014	9/30/2010
Columbia Realty Venture	Columbia Realty Venture LLC C/O Bernstein Management Company Attn: Vice President of Commercial Management 11940 Jolleyville Road, Suite 300S Austin, TX 78759	Columbia Realty Venture LLC c/o Bernstein Management Corporation Attn: General Counsel Washington, DC 20015	11011	1805 Columbia Rd NW Washington, DC 20009-2001	\$21,260	1/31/2012	9/30/2010
Corners Shopping Center Limited Partners	c/o Daily Properties 11940 Jolleyville Road, Suite 300S Austin, TX 78759		48273	3003 S Lamar Blvd Ste F200 Austin, TX 78704-4703	\$9,640	6/30/2010	9/30/2010
Crofton Boulevard Associates	4801 St. Elmo Avenue, 2nd Floor Bethesda, MD 20814	Grossberg, Yochelson, Fox & Beyda, LLP 2000 I. Street, N.W., Suite 675 Washington, DC 20036	90363	1268 State Route 3 S Crofton, MD 21114-1320	\$12,246	9/30/2010	9/30/2010
Diepholous Properties Company	Diepholous Properties Company c/o The Widewaters Group, Inc. Attn: Jim Lavelle Dewitt, NY 13214-0003	The Widewaters Group, Inc. 5786 Widewaters Parkway Dewitt, NY 13214	36509	4738 Onondaga Blvd Geddes, NY 13219-3304	\$9,891	3/31/2011	9/30/2010
DRM Retail Ventures L.L.C.	DRM Retail Ventures L.L.C. 1550 Timothy Road, Suite 103 Athens, GA 30606	DRM Retail Ventures L.L.C. P. O. Box 1943 Athens, GA 30603	13246	6670 Covington Highway Lithonia, GA 30058-4814	\$9,303	5/31/2012	9/30/2010
Elliott #1 Real Estate, Ltd	Elliott #1 Real Estate, Ltd #72 Cedar Lane Sulphur Springs, TX 75482		48337	903 Gilmer Street Sulphur Springs, TX 75482-4318	\$3,413	4/30/2011	9/30/2010
Fedder Management Company	c/o Fedder Management Corporation 10096 Red Run Boulevard, Suite 300 Owings Mills, MD 21117	Fedder Management Company 10096 Red Run Blvd., Suite 300 Owings Mills, MD 21117	90397	105 Hillsmere Drive Annapolis, MD 21403-3920	\$15,801	11/30/2010	9/30/2010

⁽¹⁾ The Debtor lessee for each of the Leases listed in Exhibit A is Blockbuster Inc.

⁽²⁾ Subleased to: Kayastha Investors, Inc. dba Papa John's Pizza, 1324 N Saddle Row, Addison, IL 60101, Attn: Kiran Kayastha

Lessor	Lessor's Notice Details	Other Notice Parties	FW VA - The Village Shopping Center, LLC	Store No.	Leased Premises	Monthly Rental Obligation	Term of Lease	Rejection Date
FW VA - The Village Shopping Center, LLC	e/o Regency Centers Corporation Attn: Lease Administration One Independent Drive, Suite 114 Jacksonville, FL 32202-5019	Regency Centers 7027 Three Chopt Road Suite 210 Richmond, VA 23226	FW VA - The Village Shopping Center, LLC Village Shopping Center P.O. Box 822167 Philadelphia, PA 19182-2167	51041	7009 Three Chopt Rd Richmond, VA 23226-3606	\$8,210	11/30/2010	9/30/2010
Galileo Moundsville, LLC	Galileo Moundsville, LLC e/o ERT Australian Management, L. P. 420 Lexington Avenue, 7th Floor New York, NY 10170	ERT Australian Management, L. P. 420 Lexington Avenue 7th Floor New York, NY 10170	Galileo Moundsville, LLC P. O. Box 74623 Cleveland, OH 44194-4623	54021	1410 Lafayette Ave Moundsville, WV 26041-2319	\$9,023	4/30/2011	9/30/2010
Hamilton Plaza, LLC, Hamilton Zar LLC an	Hamilton Plaza, LLC, Hamilton Zar LLC and Nundar Hamilton LLC e/o Winbrook Management, Inc. New York, NY 10101			39418	2304 Dixie Highway Hamilton, OH 45015-1613	\$6,196	1/31/2012	9/30/2010
Heckscher Selden LLC, Sivan Seldan LLC;	Heckscher Selden LLC; Sivan Seldan LLC, LPS Selden LLC and LPS Selden LLC e/o Sivan Properties Corp Manhasset, NY 11030	Independence Plaza Joint Venture C/O Sivan Properties P.O. Box 278 Manhasset, NY 11030		36141	289 Independence Plaza Selden, NY 11784-2417	\$13,680	3/31/2011	9/30/2010
Heritage Oaks Station, LLC	Heritage Oaks Station, LLC e/o Pelp Properties 11501 Northlake Drive Cincinnati, OH 45242	Phillips Edison & Company Lease Administration Department 11501 Northlake Drive Cincinnati, OH 45242	Heritage Oaks Station, LLC P.O. Box 713241 Cincinnati, OH 45271-3241	66351	14 E Gridley Rd, Ste B Gridley, CA 95948-2604	\$4,048	2/29/2012	9/30/2010
HP Plainfield Partners, L.L.C.	HP Plainfield Berkshire Place, L.L.C. C/O Hamilton Partners attn: Todd Berlinghof Jussas, IL 60143			17489	13400 S Route 39 Ste B Plainfield, IL 60585-5826	\$9,643	1/31/2011	9/30/2010
Inland US Management, LLC	2907 Butterfield Road Oakbrook, IL 60523	Inland Western Pawtucket Boulevard, L.L.C. Lockbox #774500 4500 Solutions Center Chicago, IL 60677-4005		95204	321 Armistice Blvd. Pawtucket, RI 02861-2329	\$6,530	8/31/2012	9/30/2010
JBA Greentree Properties, LLC	e/o JBA Properties Ltd. 1460 Russell Road Suite 203 Pawli, PA 19301-1271			96077	120 Greentree Drive Dover, DE 19904-7648	\$9,885	3/31/2013	9/30/2010
JPC Monroe, LLC	e/o Weyhill Commercial, LLC 2205-K Oak Ridge Road Suite 198 Oak Ridge, NC 27310	Weyhill Commercial, LLC 2205-K Oak Ridge Road Suite 198 Oak Ridge, NC 27310		37116	2205 Oak Ridge Rd., #A1 Oak Ridge, NC 27310-8728	\$6,337	11/30/2010	9/30/2010
KCM Evergreen Marketplace, LLC	KCM Evergreen Marketplace, LLC e/o Front Range Commercial, LLC P.O. Box 1695 Colorado Springs, CO 80903	Front Range Commercial, LLC 105 E. Moreno Ave, Second Floor Colorado Springs, CO 80903		8079	30790 Stage Coach Blvd Evergreen, CO 80439-7920	\$14,991	2/29/2012	9/30/2010
KOKO Marina Holdings, LLC	e/o Sofos Realty Corporation 7192 Kalaniana'ole Highway Suite A-143 Honolulu, HI 96825	KOKO Marina Holdings, LLC e/o Sofos Realty Corporation 600 Kapiolani Boulevard #200 Honolulu, HI 96813		91609	7192 Kalaniana'ole Hwy, #Q-101 Honolulu, HI 96825-1850	\$30,568	10/10/2010	9/30/2010
KOS Corporation	e/o Andros Corp/Global Realty 2451 McMullen Booth Road Suite 200 Clearwater, FL 33759			92119	3033 Enterprise Road Clearwater, FL 33759-1304	\$17,973	10/31/2010	9/30/2010

Lessor	Lessor's Notice Details	Other Notice Parties		Store No.	Leased Premises	Monthly Rental Obligation	Term of Lease	Rejection Date
Levin Properties, L.P.	e/o Levin Management Corporation 975 Route 22 West North Plainfield, NJ 07060-0376			42075	432 E Main St Middletown, PA 17057-2725	\$7,613	9/30/2010	9/30/2010
LILAC MALL ASSOCIATES, LLC	LILAC MALL ASSOCIATES, LLC e/o The Kempner Corporation 257 Manaronack Avenue White Plains, NY 10605	LILAC MALL ASSOCIATES, LLC e/o The Kempner Corporation 257 Manaronack Avenue White Plains, NY 10605		90663	32 Lilac Mall Rochester, NH 03867-1398	\$9,136	9/30/2011	9/30/2010
Magnum Group, L.L.C.	Magnum Group, L.L.C. C/O Michelina Yamevich 11215 State Line Kansas City, MO 64114	Magnum Associates C/O Michelina Yamevich 11215 State Line Road Kansas City, MO 64114		29064	5920 E Wilson Rd Kansas City, MO 64123-1941	\$4,120	11/30/2011	9/30/2010
Marlborough Square Associates, L.P.	e/o Patti Lawson 18 Dutton Farm Lane West Grove, PA 19390			42173	830 E Baltimore Pike Ste 9 Kennett Square, PA 19348-1842	\$9,345	10/31/2010	9/30/2010
Max Naggar & Mary Naggar, Co-Trustees	Attn: Morris M. Naggar 563 Massachusetts Avenue Cambridge, MA 02139	Langer & Meloughlin, LLP 137 Newbury Street Boston, MA 02116		25027	541 Massachusetts Avenue Cambridge, MA 02139-4030	\$16,167	5/31/2011	9/30/2010
MC Corp.	C/o Kimco Realty Corp 3333 New Hyde Park Road Lease code: 2978 SCT10500/LBLQC/000 New Hyde Park, NY 11042			92255	2300 Dixwell Avenue Hamden, CT 06514-2108	\$13,873	9/30/2010	9/30/2010
Michael Mouhanna, Trustee of the Fourzol Realty Trust	Michael Mouhanna, Trustee of the Fourzol Realty Trust e/o Fourzol, LLC Property Management Franklin, MA 02038	Michael Mouhanna PO Box 1623 Brattleboro, VT 05302-1623		90666	342 Washington St Weymouth, MA 02188-2932	\$16,080	4/30/2011	9/30/2010
Midmall Resources Limited Partnership	Midmall Resources Limited Partnership C/O National Realty & Development 3 Manhattanville Rd Purchase, NY 10577-2117	Midmall Resources Limited Partnership C/O National Realty & Development 3 Manhattanville Rd Purchase, NY 10577-2117	National Realty & Development Corp. 3 Manhattanville Road Attn: Marc Golden, Esq. Purchase, NY 10577-2117	34168	2200 Mt. Holly Rd. Burlington, NJ 08016-4100	\$13,021	12/31/2012	9/30/2010
Nguyen Development, LLC et al.	e/o LT Commercial Property Management Company 1256 South Abel Street Milpitas, CA 95035			90427	34909 Newark Blvd. Newark, CA 94560-1215	\$16,065	2/29/2012	9/30/2010
Owl Associates I, L.L.C.	DMP Met 75 LLC and LDK Met 75 LLC e/o Price Brothers Management 12721 Metcalf Avenue, Suite 200 Overland Park, KS 66213	Price Brothers Management Company/12721 Metcalf Avenue, Ste 200 Overland Park, KS 66213-2623		20028	6979 W 75th St Overland Park, KS 66204-3028	\$7,668	12/31/2010	9/30/2010
Pacific/Bowie - Tracy II	Pacific/Bowie - Tracy II One Corporate Plaza, 2nd Floor Newport Beach, CA 92660	Pacific/Bowie - Tracy II P.O. Box 3060 Newport Beach, CA 92658		26791	14810 Highway 4 Ste D Discovery Bay, CA 94514-2235	\$9,244	1/31/2012	9/30/2010
Palms Plaza Partners, Ltd	Palms Plaza Partners, Ltd e/o JG Management Services, Inc. P.O. Box 10187 Tampa, FL 33679-0187			92106	1155 S Dale Mabry Hwy Ste 7 Tampa, FL 33629-5020	\$14,220	11/30/2012	9/30/2010

Lessor		Lessor's Notice Details		Other Notice Parties		Store No.	Leased Premises	Monthly Rental Obligation	Term of Lease	Rejection Date
Pennsville Shopping Center, LLC		e/o Property Management Alternatives, Inc. 120 North Pointe Blvd., Suite 301 Attention: Brian Finley Lancaster, PA 17601	Pennsville Shopping Center, LLC CNW 5668 PO Box 1450 Minneapolis, MN 55485-5668			34080	269 N Broadway Ste A Pennsville, NJ 08070-1201	\$4,554	8/31/2010	9/30/2010
Plaza East Associates, LLC		e/o Coldwell Banker Commercial, Sun Coast Partners, LLC 1437 Military Cutoff Road, Suite 201 Wilmington, NC 28403	Plaza East Associates LLC e/o Coldwell Banker Commercial, Sun Coast Partners, LLC 1430 Commonwealth Drive, Suite Wilmington, NC 28403	Coldwell Banker Commercial, Sun Coast Partners, LLC 1437 Military Cutoff Road Suite 201 Wilmington, NC 28403		37022	1962 Eastwood Road Wilmington, NC 28403-7213	\$5,415	9/30/2010	9/30/2010
Portfolio Addison Town Center Retail, LP		Portfolio Addison Town Center Retail, LP e/o Cencor Realty Services, Inc. Attn: General Counsel Dallas, TX 75201	Portfolio Addison Town Center Retail, LP e/o Cencor Realty Services, Inc. Attn: Agent P.O. Box 660394 Dallas, TX 75206-0394			48192	3730 Beltline Addison, TX 75001-4301	\$13,565	10/31/2011	9/30/2010
Randall E. Presley Trust		e/o The Presley Company 3151 Airway Avenue, Suite F207 Costa Mesa, CA 92626	Randall E. Presley Trust P.O. Box 2200 Newport Beach, CA 92658			48216	6423 Babcock Rd San Antonio, TX 78249-2950	\$8,978	2/29/2012	9/30/2010
Raritan Shopping Center, L.P.		Raritan Shopping Center, L.P. e/o United States Land Resources, L.P. 237 South Street Morristown, NJ 07960	The Schultz Organization 900 Route 9 North Attn: Samuel Giordano Woodbridge, NJ 07095	Raritan Shopping Center, L.P. e/o Berger & Bornstein, PA 237 South Street Morristown, NJ 07960		34064	200 Orlando Dr Raritan, NJ 08869-2130	\$16,808	6/30/2011	9/30/2010
Riverhead Plaza, LLC		e/o Alan Ornstein Ornn Management Inc. 84 Kensett Road Manhasset, NY 11030	Riverhead Plaza LLC e/o Smith, Finkelstein, Lundberg, Isler and Yakobski, LLP Attn: Frnak Isler, Esq. 456 Griffing Avenue Riverhead, NY 11901			95686	1107 Old Country Rd Riverhead, NY 11901-2067	\$12,735	7/31/2011	9/30/2010
Sandpaper Development, L.L.C.		e/o Washington Mutual Bank 200 East Palmetto Park Road Boca Raton, FL 33432				12001	365 S Federal Highway Deerfield Beach, FL 33441-4131	\$8,900	12/31/2012	9/30/2010
Shops of Forest Springs, L.C.		e/o Robert J. Thieneman & Associates 12488 LaGrange Road Louisville, KY 40245	Shops of Forest Springs, L.C. C/o Robert J. Thieneman & Associates 12488 LaGrange Road Louisville, KY 40245			21018	12476 LaGrange Rd Louisville, KY 40245-1901	\$7,678	4/30/2011	9/30/2010
Stanek Enterprises		e/o WEB Properties, Inc. P.O. Box 21469 Spokane, WA 99201	Stanek Management, LLC e/o WEB Properties Inc P.O. Box 21469 Spokane, WA 99201			52001	2501 E. 29th Avenue Spokane, WA 99223-4803	\$9,750	3/31/2013	9/30/2010
Stanley T. Cordozo		Cardozo Commercial Properties, LLC e/o Brekke Real Estate 1500 Standiford Avenue - Building D Madison, CA 95350	Cardozo Commercial Properties, LLC e/o Brekke Real Estate - a California limited liability company e/o Brekke Real Estate Madison, CA 95350			2667	2210 Patterson Rd Riverbank, CA 95367-9647	\$5,960	10/31/2011	9/30/2010
The Brown Family Trust		PO Box 240 Gillette, NJ 07933	Brown Family Trust C/O Holmquist Property Management, Inc. P.O. Box 14 Palm Harbor, FL 34682	The Brown Family Trust e/o Holmquist Prop. Mgmt. Inc. P. O. Box 14 Palm Harbour, FL 34682		92123	5050 34th St South St. Petersburg, FL 33711-4514	\$11,299	11/30/2010	9/30/2010
The Kulhan Group, L.L.P.		The Kulhan Group, L.L.P. e/o Robert Kulhan 612 Pean Street Greenville, IL 62246-2324				18609	2199 N Morton St Franklin, IN 46131-9624	\$7,571	12/31/2011	9/30/2010

Lessor	Lessor's Notice Details			Other Notice Parties		Store No.	Leased Premises	Monthly Rental Obligation	Term of Lease	Rejection Date
	Thomas J. Joyce & Mary A. Joyce, Trustee	Thomas J. Joyce & Mary A. Joyce, Trustees Mnnot Colony Realty Trust c/o Mary A. Joyce, Trustee Scituate, MA 02066								
Wauconda Associates	Wauconda Associates c/o Fritz Duda Company 13555 Noel Road, Suite 1315 Dallas, TX 75240	Wauconda Associates 38172 Eagle Way Chicago, IL 60671-1381				17469	535 W. Liberty St Wauconda, IL 60084-2470	\$7,729	2/29/2012	9/30/2010
Wilshire Shelby Willow Run LLC	c/o Westwood Financial Corp. 11440 San Vicente Blvd. Suite 200 Los Angeles, CA 90049	Westwood Financial Corp. 9301 East Shea Blvd. Suite #124 Scottsdale, AZ 85260				8141	12910 N Zuni St Ste 1300 Westminster, CO 80234-1313	\$5,270	9/30/2010	9/30/2010

Exhibit B

Proposed Order

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X	
	:
In re	:
	:
BLOCKBUSTER INC., <i>et al.</i> , ¹	:
	:
	:
Debtors.	:
-----X	

**SECOND OMNIBUS ORDER AUTHORIZING THE DEBTORS TO
REJECT CERTAIN UNEXPIRED NONRESIDENTIAL REAL PROPERTY LEASES**

Upon the Motion,² dated October 1, 2010, of Blockbuster Digital Technologies Inc., its parent Blockbuster Inc., and their debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, “*Blockbuster*” or the “*Debtors*”), for an order pursuant to sections 365(a) and 554(a) of the Bankruptcy Code and Rules 6006, 6007, and 9014 of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”) (i) approving the rejection of certain unexpired leases of nonresidential real property identified on *Annex I* annexed hereto (the “*Leases*”) and (ii) authorizing the abandonment of certain personal property of the estates located within the premises associated with certain of the Leases (the “*Personal Property*”), all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and grant the requested relief in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New

¹ The Debtors, together with the last four digits of each Debtor’s federal tax identification number, are: Blockbuster Inc. (5102); Blockbuster Canada Inc. (1269); Blockbuster Digital Technologies Inc. (9222); Blockbuster Distribution, Inc. (0610); Blockbuster Gift Card, Inc. (1855); Blockbuster Global Services Inc. (3019); Blockbuster International Spain Inc. (7615); Blockbuster Investments LLC (6313); Blockbuster Procurement LP (2546); Blockbuster Video Italy, Inc (5068); Movielink, LLC (5575); Trading Zone Inc. (8588); and B² LLC (5219).

² Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Motion.

York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Debtors having provided notice of the Motion and Hearing (as defined below) to the Notice Parties; and the Court having held a hearing to consider the requested relief (the “*Hearing*”); and upon the record of the Hearing, and all of the proceedings before the Court, the Court finds and determines that the requested relief is in the best interests of the Debtors, their estates, creditors, and all parties in interest; the Debtors have provided due and proper notice of the Motion and Hearing and no further notice is necessary; the legal and factual bases set forth in the Motion establish just and sufficient cause to grant the requested relief herein; **IT IS HEREBY ORDERED THAT:**

1. The Motion is granted as provided herein.
2. Pursuant to section 365(a) of the Bankruptcy Code and Bankruptcy Rules 6006 and 9014, the Debtors’ rejection of the Leases identified on *Annex I* annexed hereto is approved, with each approved rejection being effective as of September 30, 2010 (the “*Rejection Date*”).
3. If the Debtors have deposited funds with a landlord of a Lease identified on *Annex I* as a security deposit or other arrangement, such landlord may not setoff or otherwise use such deposit without the prior authority of the Court or agreement of the parties.
4. Pursuant to section 554 of the Bankruptcy Code and Bankruptcy Rule 6007, the Debtors are authorized, in their sole discretion, to abandon their Personal Property located within the premises that are the subject of the Leases to the landlords, free and clear of any interests, effective as of the Rejection Date.
5. The Debtors have satisfied the requirements of Local Bankruptcy Rule 6007-1.

7. The Debtors are authorized to take such actions as are necessary to implement and effectuate the terms of this Order.

8. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

Dated: _____, 2010
New York, New York

UNITED STATES BANKRUPTCY JUDGE

Annex I

Rejected Leases

ANNEX I
Leases to be Rejected ⁽¹⁾

Lessor	Lessor's Notice Details	Other Notice Parties	Store No.	Leased Premises	Monthly Rental Obligation	Term of Lease	Rejection Date
American Nat'l B&T Co. of Chicago	American Nat'l B&T Co. of Chicago Trustee Under Trust No. 8467 120 East Wesley Street Morton, IL 61550	Foxfield Partners 888 Fox Glen Drive St Charles, IL 60174	17290 ⁽²⁾	2712 E Main St St. Charles, IL 60174-2445	\$13,538	5/31/2011	9/30/2010
AmREIT Lantern Lane, L.P.	AmREIT Lantern Lane, LP Attn: Max Shilstone 8 Greenway Plaza, Suite 1000 Houston, TX 77046	Differential Development - 1994, Ltd. c/o Differential Management, Inc. Attn: Bartley J. Rainey Houston, TX 77019	48030	12502 Memorial Drive Houston, TX 77024-6000	\$10,509	12/31/2010	9/30/2010
Benderson-Arcade Associates, LLC	c/o Developers Diversified Realty Corporation ACCT # 101491-20447-1052 1052	Benderson-Arcade Associates, LLC Dept 101491-20447-1052 P.O. Box 951701 Cleveland, OH 44193	36555	658 Main Street Arcade, NY 14009-1037	\$8,016	10/31/2010	9/30/2010
Chelsea Retail, LLC	Chelsea Retail, LLC 500 West 43rd Street, Suite 39A New York, NY 10036-4339	Chelsea Retail, LLC c/o Manufacturers and Traders Trust Company P.O. Box 8000 Buffalo, NY 14267	36953	189 8th Avenue New York, NY 10011-3302	\$20,999	9/30/2014	9/30/2010
Columbia Realty Venture	Columbia Realty Venture LLC C/O Bernstein Management Company Attn: Vice President of Commercial Management 11940 Jolleyville Road, Suite 300S Austin, TX 78759	Columbia Realty Venture LLC c/o Bernstein Management Corporation Attn: General Counsel Washington, DC 20015	11011	1805 Columbia Rd NW Washington, DC 20009-2001	\$21,260	1/31/2012	9/30/2010
Corners Shopping Center Limited Partners	c/o Daily Properties 11940 Jolleyville Road, Suite 300S Austin, TX 78759		48273	3003 S Lamar Blvd Ste F200 Austin, TX 78704-4703	\$9,640	6/30/2010	9/30/2010
Crofton Boulevard Associates	4801 St. Elmo Avenue, 2nd Floor Bethesda, MD 20814	Grossberg, Yochelson, Fox & Beyda, LLP 2000 I. Street, N.W., Suite 675 Washington, DC 20036	90363	1268 State Route 3 S Crofton, MD 21114-1320	\$12,246	9/30/2010	9/30/2010
Diepholous Properties Company	Diepholous Properties Company c/o The Widewaters Group, Inc. Attn: Jim Lavelle Dewitt, NY 13214-0003	The Widewaters Group, Inc. 5786 Widewaters Parkway Dewitt, NY 13214	36509	4738 Onondaga Blvd Geddes, NY 13219-3304	\$9,891	3/31/2011	9/30/2010
DRM Retail Ventures L.L.C.	DRM Retail Ventures L.L.C. 1550 Timothy Road, Suite 103 Athens, GA 30606	DRM Retail Ventures L.L.C. P. O. Box 1943 Athens, GA 30603	13246	6670 Covington Highway Lithonia, GA 30058-4814	\$9,303	5/31/2012	9/30/2010
Elliott #1 Real Estate, Ltd	Elliott #1 Real Estate, Ltd #72 Cedar Lane Sulphur Springs, TX 75482		48337	903 Gilmer Street Sulphur Springs, TX 75482-4318	\$3,413	4/30/2011	9/30/2010
Fedder Management Company	c/o Fedder Management Corporation 10096 Red Run Boulevard, Suite 300 Owings Mills, MD 21117	Fedder Management Company 10096 Red Run Blvd., Suite 300 Owings Mills, MD 21117	90397	105 Hillsmere Drive Annapolis, MD 21403-3920	\$15,801	11/30/2010	9/30/2010

⁽¹⁾ The Debtor lessee for each of the Leases listed in Exhibit A is Blockbuster Inc.

⁽²⁾ Subleased to: Kayastha Investors, Inc. dba Papa John's Pizza, 1324 N Saddle Row, Addison, IL 60101, Attn: Kiran Kayastha

Lessor	Lessor's Notice Details	Other Notice Parties	FW VA - The Village Shopping Center, LLC	FW VA - The Village Shopping Center, LLC	Store No.	Leased Premises	Monthly Rental Obligation	Term of Lease	Rejection Date
FW VA - The Village Shopping Center, LLC	e/o Regency Centers Corporation Attn: Lease Administration One Independent Drive, Suite 114 Jacksonville, FL 32202-5019	Regency Centers 7027 Three Chopt Road Suite 210 Richmond, VA 23226	FW VA - The Village Shopping Center, LLC Village Shopping Center P.O. Box 822167 Philadelphia, PA 19182-2167	FW VA - The Village Shopping Center, LLC C/o Regency Centers Corporation Attn: Legal Dept One Independent Drive, Suite 114 Jacksonville, FL 32202-5019	51041	7009 Three Chopt Rd Richmond, VA 23226-3606	\$8,210	11/30/2010	9/30/2010
Galileo Moundsville, LLC	Galileo Moundsville, LLC e/o ERT Australian Management, L. P. 420 Lexington Avenue, 7th Floor New York, NY 10170	ERT Australian Management, L. P. 420 Lexington Avenue 7th Floor New York, NY 10170	Galileo Moundsville, LLC P. O. Box 74623 Cleveland, OH 44194-4623		54021	1410 Lafayette Ave Moundsville, WV 26041-2319	\$9,023	4/30/2011	9/30/2010
Hamilton Plaza, LLC, Hamilton Zar LLC an	Hamilton Plaza, LLC, Hamilton Zar LLC and Nundar Hamilton LLC e/o Winbrook Management, Inc. New York, NY 10101				39418	2304 Dixie Highway Hamilton, OH 45015-1613	\$6,196	1/31/2012	9/30/2010
Heckscher Selden LLC, Sivan Seldan LLC;	Heckscher Selden LLC, Sivan Seldan LLC, LPS Sivan Seldan LLC and LPS Selden LLC e/o Sivan Properties Corp Manhasset, NY 11030	Independence Plaza Joint Venture C/O Sivan Properties P.O. Box 278 Manhasset, NY 11030			36141	289 Independence Plaza Selden, NY 11784-2417	\$13,680	3/31/2011	9/30/2010
Heritage Oaks Station, LLC	Heritage Oaks Station, LLC e/o Pelp Properties 11501 Northlake Drive Cincinnati, OH 45242	Phillips Edison & Company Lease Administration Department 11501 Northlake Drive Cincinnati, OH 45242	Heritage Oaks Station, LLC P.O. Box 713241 Cincinnati, OH 45271-3241		66351	14 E Gridley Rd, Ste B Gridley, CA 95948-2604	\$4,048	2/29/2012	9/30/2010
HP Plainfield Partners, L.L.C.	HP Plainfield Berkshire Place, L.L.C. C/O Hamilton Partners attn: Todd Berlinghof Jussas, IL 60143				17489	13400 S Route 39 Ste B Plainfield, IL 60585-5826	\$9,643	1/31/2011	9/30/2010
Inland US Management, LLC	2907 Butterfield Road Oakbrook, IL 60523	Inland Western Pawtucket Boulevard, L.L.C. Lockbox #774500 4500 Solutions Center Chicago, IL 60677-4005			95204	321 Armistice Blvd. Pawtucket, RI 02861-2329	\$6,530	8/31/2012	9/30/2010
JBA Greentree Properties, LLC	e/o JBA Properties Ltd. 1460 Russell Road Suite 203 Parsippany, NJ 07054				96077	120 Greentree Drive Dover, DE 19904-7648	\$9,885	3/31/2013	9/30/2010
JPC Monroe, LLC	e/o Weyhill Commercial, LLC 2205-K Oak Ridge Road Suite 198 Oak Ridge, NC 27310	Weyhill Commercial, LLC 2205-K Oak Ridge Road Suite 198 Oak Ridge, NC 27310			37116	2205 Oak Ridge Rd., #A1 Oak Ridge, NC 27310-8728	\$6,337	11/30/2010	9/30/2010
KCM Evergreen Marketplace, LLC	KCM Evergreen Marketplace, LLC e/o Front Range Commercial, LLC P.O. Box 1695 Colorado Springs, CO 80901	Front Range Commercial, LLC 105 E. Moreno Ave, Second Floor Colorado Springs, CO 80903			8079	30790 Stage Coach Blvd Evergreen, CO 80439-7920	\$14,991	2/29/2012	9/30/2010
KOKO Marina Holdings, LLC	e/o Sofos Realty Corporation 7192 Kalaniana'ole Highway Suite A-143 Honolulu, HI 96825	KOKO Marina Holdings, LLC e/o Sofos Realty Corporation 600 Kapiolani Boulevard #200 Honolulu, HI 96813			91609	7192 Kalaniana'ole Hwy, #Q-101 Honolulu, HI 96825-1850	\$30,568	10/10/2010	9/30/2010
KOS Corporation	e/o Andros Corp/Global Realty 2451 McMullen Booth Road Suite 200 Clearwater, FL 33759				92119	3033 Enterprise Road Clearwater, FL 33759-1304	\$17,973	10/31/2010	9/30/2010

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Levin Properties, L.P.	e/o Levin Management Corporation 975 Route 22 West North Plainfield, NJ 07060-0376			42075	432 E Main St Middletown, PA 17057-2725	\$7,613	9/30/2010	9/30/2010
LILAC MALL ASSOCIATES, LLC	LILAC MALL ASSOCIATES, LLC e/o The Kempner Corporation 257 Manaronack Avenue White Plains, NY 10605	LILAC MALL ASSOCIATES, LLC e/o The Kempner Corporation 257 Manaronack Avenue White Plains, NY 10605		90663	32 Lilac Mall Rochester, NH 03867-1398	\$9,136	9/30/2011	9/30/2010
Magnum Group, L.L.C.	Magnum Group, L.L.C. C/O Michelina Yamevich 11215 State Line Kansas City, MO 64114	Magnum Associates C/O Michelina Yamevich 11215 State Line Road Kansas City, MO 64114		29064	5920 E Wilson Rd Kansas City, MO 64123-1941	\$4,120	11/30/2011	9/30/2010
Marlborough Square Associates, L.P.	e/o Patti Lawson 18 Dutton Farm Lane West Grove, PA 19390			42173	830 E Baltimore Pike Ste 9 Kennett Square, PA 19348-1842	\$9,345	10/31/2010	9/30/2010
Max Naggar & Mary Naggar, Co-Trustees	Attn: Morris M. Naggar 563 Massachusetts Avenue Cambridge, MA 02139	Langer & Meloughlin, LLP 137 Newbury Street Boston, MA 02116		25027	541 Massachusetts Avenue Cambridge, MA 02139-4030	\$16,167	5/31/2011	9/30/2010
MC Corp.	C/o Kimco Realty Corp 3333 New Hyde Park Road Lease code: 2978 SCT10500/LBL/OC/000 New Hyde Park, NY 11042			92255	2300 Dixwell Avenue Hamden, CT 06514-2108	\$13,873	9/30/2010	9/30/2010
Michael Mouhanna, Trustee of the Fourzol Realty Trust	Michael Mouhanna, Trustee of the Fourzol Realty Trust e/o Fourzol, LLC Property Management Franklin, MA 02038	Michael Mouhanna PO Box 1623 Brattleboro, VT 05302-1623		90666	342 Washington St Weymouth, MA 02188-2932	\$16,080	4/30/2011	9/30/2010
Midmall Resources Limited Partnership	Midmall Resources Limited Partnership C/O National Realty & Development 3 Manhattanville Rd Purchase, NY 10577-2117	Midmall Resources Limited Partnership C/O National Realty & Development 3 Manhattanville Rd Purchase, NY 10577-2117	National Realty & Development Corp. 3 Manhattanville Road Attn: Marc Golden, Esq. Purchase, NY 10577-2117	34168	2200 Mt. Holly Rd. Burlington, NJ 08016-4100	\$13,021	12/31/2012	9/30/2010
Nguyen Development, LLC et al.	e/o LT Commercial Property Management Company 1256 South Abel Street Milpitas, CA 95035			90427	34909 Newark Blvd. Newark, CA 94560-1215	\$16,065	2/29/2012	9/30/2010
Owl Associates I, L.L.C.	DMP Met 75 LLC and LDK Met 75 LLC e/o Price Brothers Management 12721 Metcalf Avenue, Suite 200 Overland Park, KS 66213	Price Brothers Management Company/12721 Metcalf Avenue, Ste 200 Overland Park, KS 66213-2623		20028	6979 W 75th St Overland Park, KS 66204-3028	\$7,668	12/31/2010	9/30/2010
Pacific/Bowie - Tracy II	Pacific/Bowie - Tracy II One Corporate Plaza, 2nd Floor Newport Beach, CA 92660	Pacific/Bowie - Tracy II P.O. Box 3060 Newport Beach, CA 92658		26791	14810 Highway 4 Ste D Discovery Bay, CA 94514-2235	\$9,244	1/31/2012	9/30/2010
Palms Plaza Partners, Ltd	Palms Plaza Partners, Ltd e/o JG Management Services, Inc. P.O. Box 10187 Tampa, FL 33679-0187			92106	1155 S Dale Mabry Hwy Ste 7 Tampa, FL 33629-5020	\$14,220	11/30/2012	9/30/2010

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Pennsville Shopping Center, LLC		e/o Property Management Alternatives, Inc. 120 North Pointe Blvd., Suite 301 Attention: Brian Finley Lancaster, PA 17601	Pennsville Shopping Center, LLC CNW 5668 PO Box 1450 Minneapolis, MN 55485-5668			34080	269 N Broadway Ste A Pennsville, NJ 08070-1201	\$4,554	8/31/2010	9/30/2010
Plaza East Associates, LLC		e/o Coldwell Banker Commercial, Sun Coast Partners, LLC 1437 Military Cutoff Road, Suite 201 Wilmington, NC 28403	Plaza East Associates LLC e/o Coldwell Banker Commercial, Sun Coast Partners, LLC 1430 Commonwealth Drive, Suite Wilmington, NC 28403	Coldwell Banker Commercial, Sun Coast Partners, LLC 1437 Military Cutoff Road Suite 201 Wilmington, NC 28403		37022	1962 Eastwood Road Wilmington, NC 28403-7213	\$5,415	9/30/2010	9/30/2010
Portfolio Addison Town Center Retail, LP		Portfolio Addison Town Center Retail, LP e/o Cencor Realty Services, Inc. Attn: General Counsel Dallas, TX 75201	Portfolio Addison Town Center Retail, LP e/o Cencor Realty Services, Inc. Attn: Agent P.O. Box 660394 Dallas, TX 75206-0394			48192	3730 Beltline Addison, TX 75001-4301	\$13,565	10/31/2011	9/30/2010
Randall E. Presley Trust		e/o The Presley Company 3151 Airway Avenue, Suite F207 Costa Mesa, CA 92626	Randall E. Presley Trust P.O. Box 2200 Newport Beach, CA 92658			48216	6423 Babcock Rd San Antonio, TX 78249-2950	\$8,978	2/29/2012	9/30/2010
Raritan Shopping Center, L.P.		Raritan Shopping Center, L.P. e/o United States Land Resources, L.P. 237 South Street Morristown, NJ 07960	The Schultz Organization 900 Route 9 North Attn: Samuel Giordano Woodbridge, NJ 07095	Raritan Shopping Center, L.P. e/o Berger & Bornstein, PA 237 South Street Morristown, NJ 07960		34064	200 Orlando Dr Raritan, NJ 08869-2130	\$16,808	6/30/2011	9/30/2010
Riverhead Plaza, LLC		e/o Alan Ornstein Ornn Management Inc. 84 Kensett Road Manhasset, NY 11030	Riverhead Plaza LLC e/o Smith, Finkelstein, Lundberg, Isler and Yakobski, LLP Attn: Frnak Isler, Esq. 456 Griffing Avenue Riverhead, NY 11901			95686	1107 Old Country Rd Riverhead, NY 11901-2067	\$12,735	7/31/2011	9/30/2010
Sandpaper Development, L.L.C.		e/o Washington Mutual Bank 200 East Palmetto Park Road Boca Raton, FL 33432				12001	365 S Federal Highway Deerfield Beach, FL 33441-4131	\$8,900	12/31/2012	9/30/2010
Shops of Forest Springs, L.C.		e/o Robert J. Thieneman & Associates 12488 LaGrange Road Louisville, KY 40245	Shops of Forest Springs, L.C. C/o Robert J. Thieneman & Associates 12488 LaGrange Road Louisville, KY 40245			21018	12476 LaGrange Rd Louisville, KY 40245-1901	\$7,678	4/30/2011	9/30/2010
Stanek Enterprises		e/o WEB Properties, Inc. P.O. Box 21469 Spokane, WA 99201	Stanek Management, LLC e/o WEB Properties Inc P.O. Box 21469 Spokane, WA 99201			52001	2501 E. 29th Avenue Spokane, WA 99223-4803	\$9,750	3/31/2013	9/30/2010
Stanley T. Cordozo		Cardozo Commercial Properties, LLC e/o Brekke Real Estate 1500 Standiford Avenue - Building D Madison, CA 95350	Cardozo Commercial Properties, LLC e/o Brekke Real Estate - a California limited liability company e/o Brekke Real Estate Madison, CA 95350			2667	2210 Patterson Rd Riverbank, CA 95367-9647	\$5,960	10/31/2011	9/30/2010
The Brown Family Trust		PO Box 240 Gillette, NJ 07933	Brown Family Trust C/O Holmquist Property Management, Inc. P.O. Box 14 Palm Harbor, FL 34682	The Brown Family Trust e/o Holmquist Prop. Mgmt. Inc. P. O. Box 14 Palm Harbour, FL 34682		92123	5050 34th St South St. Petersburg, FL 33711-4514	\$11,299	11/30/2010	9/30/2010
The Kulhan Group, L.L.P.		The Kulhan Group, L.L.P. e/o Robert Kulhan 612 Pean Street Greenville, IL 62246-2324				18609	2199 N Morton St Franklin, IN 46131-9624	\$7,571	12/31/2011	9/30/2010

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	Thomas J. Joyce & Mary A. Joyce, Trustee	Thomas J. Joyce & Mary A. Joyce, Trustees Mnnot Colony Realty Trust c/o Mary A. Joyce, Trustee Scituate, MA 02066								
Wauconda Associates	Wauconda Associates c/o Fritz Duda Company 13555 Noel Road, Suite 1315 Dallas, TX 75240	Wauconda Associates 38172 Eagle Way Chicago, IL 60671-1381				17469	535 W. Liberty St Wauconda, IL 60084-2470	\$7,729	2/29/2012	9/30/2010
Wilshire Shelby Willow Run LLC	c/o Westwood Financial Corp. 11440 San Vicente Blvd. Suite 200 Los Angeles, CA 90049	Westwood Financial Corp. 9301 East Shea Blvd. Suite #124 Scottsdale, AZ 85260				8141	12910 N Zuni St Ste 1300 Westminster, CO 80234-1313	\$5,270	9/30/2010	9/30/2010